

**Date:** June 7, 2000  
**Memo To:** Conservation District Procedure Manual Holders  
**From:** Bob Bottman, Grants Officer  
**Subject:** Revision 43 – 1.) Change in riparian area cost share rate  
2.) Application of riparian area cost share rate to irrigation ditches, canals, and ponds  
3.) Removal of “benefiting a riparian area” from cost share policy

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#### **Purpose of this revision**

To provide guidance on changes in the Commission’s cost share policy as it relates to riparian areas and adjacent land.

#### **Summary of revisions**

1. The maximum cost share rate for practices installed within riparian areas is increased from 50% to 75%, with the remaining 25% coming from any other source.
2. The cost share rate for use in riparian areas may also be used, on a case-by-case basis, for irrigation ditches, canals, and ponds. The determination whether a specific ditch, canal, or pond qualifies for this level of cost share will be made by the local conservation district board of supervisors, and must be based on clear and direct benefits to water quality and related biological systems. The Commission Field Operations Manager for that area may help make this determination, at the request of the board.
3. The previous policy that allowed districts to cost share at 75% for practices that “benefited a riparian area” has been rescinded. At their May 18, 2000 meeting, the Commission disapproved a proposal that would have authorized this and also defined “benefiting a riparian area.” The practical result of this decision is that BMPs located on land adjacent to a riparian area are eligible for up to 50% cost sharing, not 75%.

Specifically, these changes are found in:

- a) Water Quality Grants Program, Rates, Section 360 WQ Page 6
- b) Water Quality Grants Program, Questions & Answers, Section 360 WQ Page 14

**Instructions to Conservation District Procedure Manual holders:** This is the forty-third numbered revision to the Conservation District Procedure Manual. If you do not have an updated manual or manual binder, contact your field operations manager.

1. Insert this purple cover memo behind the “Revisions” tab, in front of the cover memos from all other revisions.

*Continued on back →*

2. Fill in the blanks after line 43 on the Index of Manual Revisions as follows:

<b>#</b>	<b>Section</b>	<b>Issued</b>	<b>Subject</b>	<b>Date</b>	<b>Who</b>
43	360	6/7/00	Cost Share Policy	<i>Date inserted</i>	<i>Your initials</i>

3. In Section 360 WQ, remove Page 5-6 (one page back-to-back).

4. In Section 360 WQ, remove Page 14 (one single-sided page).

5. Insert new Page 5-6 and new Page 14.

Attachments

- Field water quality test kit data. Although data from field-tests is typically not as reliable or detailed as that from a certified laboratory, it may be used to demonstrate gross water quality trends, or as a screening tool. Involvement of local schools, citizens, and civic organizations may also be used as part of the district's information-education program.

**Grant Application Process**

The Grant Application instructions and forms are included as Exhibits 360 WQ - A, B, and C after this manual sub-section (360 WQ). If you have questions, please call the Commission Grants Staff.

**Cost sharing Policy**

Cost sharing under Implementation and Competitive grants has been authorized since 1995, and has also been an integral part of two appropriations given to the Commission to address dairy waste management. The Commission believes that giving conservation districts the option to cost share provides a tool that can be used to accelerate implementation of management practices needed to improve water quality.

**Implementation and Competitive Grants**

**Project Priorities** Districts will give highest priority for cost sharing to projects that have the greatest likelihood of improving water quality, and that are listed in districts' Annual Plans of Work, or that are part of an approved watershed plan. Also, districts should give high priority for cost sharing to projects located within Endangered Species Act (ESA) listed areas. The state-prepared Salmon and Steelhead Stock Inventory (SASSI) may be used for this purpose where ESA listings do not apply. Finally, districts should also give priority to watersheds or waterbodies where a standardized Water Quality monitoring Plan will be carried out during the life of the project.

**BMP Priorities** Districts will give high priority for cost sharing BMPs that are a part of a complete conservation plan, or part of a watershed or riparian management plan or project, and lower priority to cost sharing BMPs that are outside a conservation plan. If a district cost shares BMPs that are not a part of a conservation plan, the BMPs should be designed to fit into the conservation needs of the whole operation or parcel, and also not be detrimental to a possible future conservation plan.

(NOTE: this template, as well as the other forms referenced in this section, are available from the Commission on diskette.) →

**A Cost share Project Rating Template** is attached to this sections as Exhibit 360 WQ - Ai. Districts may use this template, or design their own. Also, this template may be modified to rate competing dairies during a bid process by adding dairy waste management program criteria.

**Cost sharing Budget** There is no limit on the amount of funds from individual grant budgets used for cost sharing. However, there is a limit on the amount of cost share funds each operation may receive (see page 6).

**Rates** Cost share rates are based on total project costs and are set by each conservation district board, but will not exceed the following limits:

<u>Location Of Practice</u>	<u>Cost share From Commission Grants</u>	<u>Total Cost share From All Sources Including Commission Grants</u>
In-Stream	Up to 75 percent	Up to 100 percent
Riparian	Up to 75 percent	Up to 100 percent
Upland	Up to 50 percent	Up to 75 percent

**When setting cost share rates**, District boards should consider: 1) BMP cost and effectiveness; 2) availability of other sources of cost sharing; 3) local economic conditions; 4) the public benefit to be derived from the practice; and 5) the convenience of the practice to the landowner.

**Cost sharing Limit** for Implementation and Competitive grants is \$25,000 per operation.

**Irrigation ditches, canals, and ponds** The Commission's cost share policy for riparian areas may apply to irrigation ditches, canals, or ponds on a case-by-case basis. The local conservation district board of supervisors will make this determination based upon clear and direct benefits to water quality and related biological systems. Additional counsel may be provided by the Conservation Commission Field Operations Manager, if requested by the board.

## Dairy Nutrient Management Grants

**Project Priorities** Districts administering a dairy nutrient management grant shall set their cost sharing priorities as follows: 1) dairy operations with District-approved dairy nutrient management plans in place; 2) projects that will lead to complete dairy nutrient management systems; 3) local priorities as shown in the scope of work for each District's dairy nutrient management grant; and 4) other water quality dairy related priorities established by the District.

**Technical Standards** Dairy nutrient management practices must meet or exceed NRCS technical standards. However, alternative practices not consistent with the NRCS "Practice Standards and Specifications" may be used if deemed suitable by a licensed professional engineer.

**Complete Dairy Nutrient Management Plans** The Commission requires that dairy nutrient management plans be approved by the District before it commits cost share funds to any dairy. Dairy nutrient management plans contain a record of the farmer's decisions and supporting information for treatment of a unit of land as a result of the planning process that will result in zero discharge of dairy nutrients to both surface and ground waters of the state. The plan must contain the minimum elements for dairy nutrient management plans as detailed in the Conservation Commission "Checklist for Conservation District Approval of a Dairy Nutrient Management Plan".

An approved plan is one that contains descriptions of all practices comprising the dairy waste management system(s) to be implemented under this program.

An approved plan must also be agreed to and signed by both the dairy operator and the chair of the conservation district. Districts may, at their

cost-share (depreciated based on design life). If your district is unsuccessful in this, the Commission will contact the cooperator directly. Legal action through the Attorney General's Office may be taken as a last resort.

**19. Q: *How do I determine when BMP's were installed retroactively (and are therefore ineligible for cost-sharing)?***

A: The term "retroactive" applies to any expenses related to BMP's which were incurred before the date your district chair signed the cost-share agreement.

The cooperator's signature on the cost-share form represents an application for cost-sharing. Your district chair's signature represents board approval and is also the effective date of the cost-sharing agreement.

**20. Q: *Can my district offer cost share rates higher than 50% on upland BMPs, if they directly benefit a riparian area?***

A: No. The Commission's cost share policy no longer authorizes districts to pay a rate higher than 50% (using Commission grant funds) for an upland practice no matter how it affects a riparian area.

**21. Q: *Does the cost share rate for riparian areas apply to dairy nutrient storage ponds?***

A: No. For purposes of this policy, dairy nutrient storage ponds or lagoons do not qualify for the higher riparian cost share rate.

**22. Q: *Who can answer other questions on the cost-sharing program?***

A: Your Field Operations Manager. Also, you may call Bob Bottman (360-407-6204), Cheryl Witt (360-407-6205), Debbie Schenck (360-407-6212), or Ann Holleman (360-407-6114).